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UNIFICATION AND REHABILITATION OF KOREA

REPORT
TO THE EIGHTH REGULAR SESSION
OF THE
GENERAL ASSEMBLY

PUSAN, KOREA

1953

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INTRODUCTION

This report covers the period from 28 August 1952, the date of the Commission's last report, to 14 August 1953, when the present report was signed.

The United Nations Commission for the Unification and Rehabilitation of Korea was established by General Assembly resolution 376 (V) of 7 October 1950, and its functions in the economic sphere were further defined in General Assembly resolution 410 (V) of 1 December 1950. The Commission held its first meeting on 20 November 1950, and it has been continuously in Korea since 26 November 1950. This report should be read in conjunction with the reports submitted by the Commission to the sixth and seventh sessions of the General Assembly covering the period from 7 October 1950 to 28 August 1952 (A/1881 and A/2187).

The report of the Commission, which was adopted unanimously, was signed in Pusan and is dated 14 August 1953.

CHAPTER I

ORGANIZATION AND ACTIVITIES OF THE COMMISSION

A. General Assembly Consideration at the Seventh Session.

1. The Commission submitted two previous annual reports to the General Assembly on 5 September 1951 (A/1881) and 28 August 1952 (A/2187). Consideration of the first of these reports had been deferred by the sixth session of the General Assembly (Resolution 507 (VI)). When the seventh session convened, the General Assembly, at its 380th meeting on 16 October 1952, decided to include both reports on its agenda as item 16 (a), which it referred to the First Committee for consideration and report.¹⁾

2. References were made to the Commission's reports by a number of Representatives during the consideration by the Committee, but the discussion centered primarily on methods of resolving the impasse which had arisen over prisoners of war and ways to achieve an armistice. The only decision made by the General Assembly which specifically related to the Commission, was the rejection of a draft resolution submitted by the Union of Soviet Socialist Republics (A/C.1/124). This draft resolution proposed the termination of the Commission as being incapable of fulfilling the tasks assigned to it. It was rejected by the First Committee at its 569th meeting on 9 March 1953 by 54 votes to 5, with no abstentions, and was also rejected by the same vote in the 414th plenary meeting

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1) See report of the First Committee, A/2278, 2 December 1952, and the supplementary report of the First Committee, A/2368, 9 March 1953.

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of the General Assembly on 11 March 1953.

B. Present Task of the Commission.

3. The composition and terms of reference of the Commission have remained as set out in section A and B of the Report of the Commission to the sixth session of the General Assembly (A/1881, paras. 6-14). The observations made by the Commission in paras. 71 and 72 of that report remain an accurate description of the task of the Commission during the period covered by the present report.

4. In supporting United Nations action, the Commission, when opportunities offered, has endeavoured to assist in creating a favourable atmosphere for the implementation of the armistice and for the success of the political conference which is to be convened. The Commission sincerely hopes that the political conference will make possible the achievement of the major objectives for which it was established.

C. Organization

1)

Resolutions adopted by the seventh session of the General Assembly which related to Korea were resolutions 661 (VII) and 693 (VII) of 25 November 1953, 610 (VII) of 3 December 1952, 701 (VII) of 11 March 1951, 705 (VII) of 18 April 1953, and 706 (VII).

C. Organization and movements of the Commission.

5. The membership of the Delegations to the Commission, as well as the time that each member has been represented in Korea, is set out in Annex I of this report. This Annex also contains a list of the members of the Secretariat. The service of the United Nations field observer available to the Commission have not been required. The Commission records with sorrow the tragic death of Mr. J.T. Teodoro, information officer, who was killed in an airplane accident on 27 December 1952, while serving with the Commission in Korea.

6. The chairmanship of the Commission, as in previous years, has been held by representatives in rotation, the new Chairman assuming his duties at the beginning of each calendar month. A roster of chairmanship will also be found in Annex I.

7. During the period covered by the present report, the Commission held 76 meetings, all of them in Pusan, Korea. Since its establishment nearly three years ago, the Commission has held a total of 278 meetings. Although throughout the period of this report the seat of the Commission has remained in Pusan, members of the Commission have made a number of trips in the provinces of the Republic of Korea, and have visited areas North of the 38th parallel which are under United Nations control.

3. In the latter part of the period, when nearly all Government offices had returned to Seoul, the members of the Commission have found it necessary to make more frequent visits to that city, and have agreed on the advisability of moving

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the seat of the Commission to Seoul as soon as practicable, in order to be in a better position to perform their functions.

9. The Commission wishes to express its appreciation for the help and services of the Principal Secretary, Mr. George J. Mathieu, and all members of the Secretariat.

D. Liaison with authorities and agencies

(1) Liaison with the Government of the Republic of Korea

10. The Commission members and the Principal Secretary have had a number of interviews with the President of the Republic, and have maintained frequent contact with members of the Government, the Ministries and the National Assembly.

11. The Minister of National Defense of the Republic of Korea continued to maintain a liaison officer, Lt. Col. Rhee Sang-Myong, and staff, from whom the Commission has received co-operation and assistance.

(2) Liaison with the United Nations Command

12. The Commission has continued to maintain contact with the United Nations Command at different levels as circumstances required. Members of the Commission and the Principal Secretary have conferred with General Mark W. Clark, Commander-in-Chief, United Nations Command, and with his political adviser, Ambassador Robert D. Murphy. They have also conferred with General James A. Van Fleet, Commander, Eighth United States Army, and his successor in command, General Maxwell D. Taylor.

13. The United Nations Commander-in-Chief designated as his representative for liaison with the Commission, Major General Thomas W. Herren, Commander, Korean Communications Zone, and the Commission has held meetings as the occasion required, with him or with his Deputy Commander for Civilian Affairs, Brigadier General A. L. Hamblen.

14. The Commission has received co-operation and assistance from the Korean

Base Section under Brigadier Generals Edward H. Lastayo and Richard S. Whitcomb with housing, supplies, transport and other facilities.
the Commission and

15. Cooperation between/the United Nations Civil Assistance Command in Korea (now Korean Civil Assistance Command) under Brigadier Generals William E. Crist and Homer Case continued. Members of the Commission and Secretariat attended a meeting of UNCACK team commanders held from October 20th to October 22nd, 1952. Local UNCACK teams helped to provide accommodation, transport and interpreters for members of the Commission when they visited the provinces. Valuable information was given by UNCACK headquarters to the Commission throughout the period covered by this report.

(3) Liaison with the United Nations Korean Reconstruction Agency.

16. Relations between the Commission and the United Nations Korean Reconstruction Agency are discussed in chapter V below.

(4) Liaison with Diplomatic Missions.

17. The Commission maintained contact with the diplomatic missions in Korea. The Commission also met and exchanged views, both formally and informally, with several high officials of Members of the United Nations who visited Korea.

THE REPUBLIC OF KOREA AND THE ARMISTICE

A. Attitude of the Commission.

18. On 27 July 1953, an armistice was signed in Korea after more than three years of fighting. The Commission had no direct participation in the armistice negotiations, which, being a purely military matter, were within the sole competence of the United Nations Command. As the political representative of the United Nations in Korea, however, it has closely followed developments. For that purpose, it has consulted with the Commander-in-Chief, United Nations Command, and his political adviser, and has made it known that at all times, it was open to consider any suggestion as to how it might assist.

19. On the day the armistice was concluded, the Commission took the opportunity to help promote a favourable atmosphere for its implementation and for the success of the political conference by issuing a public statement. This statement, which is^a self-explanatory exposition of the Commission's attitude, is set out below:

" The United Nations Commission for the Unification and Rehabilitation of Korea welcomes the conclusion of the armistice which brings an end to hostilities in this war-ravaged land. In repelling aggression and with the cessation of fighting in Korea, the initial objectives of the United Nations have been realized. Thus is successfully ended the first effort to enforce the principle of collective security through a world-wide international organization. This is truly, in the words of the Secretary-General of the United Nations, a victory not for any party, but for a principle.

The armistice, however, is not a peace settlement. It is only one step toward the ultimate ends which must be sought in a peace settlement. A unified country is unquestionably the desire of all Koreans, South and North of the 38th parallel, and remains the political objective of the United Nations. The Commission sincerely hopes that the political conference, in which the Republic of Korea should be fully represented, will establish a sound basis for the unification of the country in accordance with the wishes of the Korean people. Now, as always, the Commission stands ready to assist in every possible way to attain a unified, independent and democratic Korea by peaceful means. For this purpose, it calls on all sections and representative bodies of the population of Korea, South and North, to co-operate.

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" The armistice should bring hope to the people of Korea in still another way. The loss of life and the destruction of homes and industries will now cease and the Korean people, with the assistance of the United Nations, may better devote their efforts to the reconstruction of their country.

Only in a final peace settlement will there be the security and stability in which Koreans, with world-wide help, can devote their full efforts to rehabilitation and the achievement of a prosperous Korea. In the meantime, the plans which UNKRA has been developing in co-operation with the Government of the Republic of Korea for the rehabilitation of the country may now be carried forward at an increased tempo. The armistice thus facilitates the achievement of another objective of the United Nations.

Thanks to the courage and steadfastness of the armed forces of the Republic of Korea and indeed of the whole population, with the help of their allies, the attempt to settle differences in Korea through armed aggression has failed. Let us now unite our efforts and our prayers in order to reach a peaceful solution whereby Korea as a whole can recover its unity, its freedom and its prosperity."

B. Attitude of the Republic of Korea.

(1.) Position of the Government.

20. In June and early July 1951, announcements that armistice negotiations were soon to start were received by the Government of the Republic of Korea with apprehension (See Report of the Commission for 1950/51, A/1881, paras.78-91).

21. The five points formulated by the Government of the Republic of Korea as a basis for a ceasefire had been communicated to the Commission in a letter from the Foreign Minister of the Republic of Korea dated 30 June 1951. These five points which, until 29 April 1953, remained the basis of the Government's position with regard to the armistice, were as follows:

" First, the Chinese Communist armies must withdraw completely from Korea and retire beyond our boundaries into Manchuria, without causing any new damage to the lives and property of the civilian population in the North.

Second, the North Korean Communists must disarm.

Third, the United Nations must agree to prevent any third Power from giving any assistance to the North Korean Communists, militarily, financially or otherwise.

Fourth, the official representatives of the Republic of Korea

/shall

" shall participate fully in any international conference or meeting discussing or considering any phase of the Korean problem.

Fifth, no plan, programme or course of action will be considered as having any legal effect which conflicts with the sovereignty or territorial integrity of Korea."

22. In addition to these five points, which were maintained from the beginning of the armistice talks, the Republic of Korea took a firm position against forced repatriation of prisoners of war. The Government of the Republic of Korea considered North Korean prisoners as their citizens and was opposed to pressure of any kind being brought to bear against them.

23. At the time that the proposals ("Indian proposals") contained in General Assembly Resolution 610 (VII) of 3 December 1952 were rejected by the Central People's Government of the People's Republic of China and by the North Korean authorities, the Republic of Korea also made it clear that, for its part, the proposals were unacceptable. When, on 29 March 1953, the Foreign Minister of the Central People's Government of the People's Republic of China in a radio speech indicated that the Chinese Communist and North Korean delegation to the armistice negotiations was at last prepared to consider a new approach to the prisoner of war issue, the Government of the Republic of Korea became increasingly concerned that an armistice would be signed which would not meet **its** basic aspirations.

24. The President of the Republic and other Government spokesmen reiterated their position that an armistice would not be acceptable unless it satisfied the five points of the Government's armistice programme. In a number of different statements, the view was expressed that there could not be an honourable peace while the Chinese Communist aggressors remained on Korean soil. From the viewpoint of the Government of the Republic of Korea, the only satisfactory solution was to march North and unify the country. An armistice that left Korea divided and

/Chinese

Chinese Communist armies in North Korea, in their opinion, would be a death sentence to the Republic of Korea.

25. Basing its views on past experience the Government of the Republic of Korea had no confidence that negotiations after an armistice could achieve satisfactory results. At all times, the Government emphasized that the sovereignty of the Republic of Korea must be respected.

26. Furthermore, the President and Government spokesmen declared that international peace and security required the punishment of the aggressor. They claimed that if aggression were to go unpunished, it might be renewed at any time and the tremendous sacrifices made by United Nations forces and by the Republic of Korea during the course of three years would have gone for nought.

27. On 25 April 1953, the President issued a statement to the effect that much as the people of Korea wanted peace, they could not accept an armistice short of unification.

28. On 6 June, the President announced that the United Nations Command proposals which had been made on 25 May were unacceptable to the Government of the Republic of Korea. As a counter proposal, he suggested the simultaneous withdrawal of both Chinese Communists and United Nations forces from Korea, on the condition that a mutual defense pact be concluded between the Republic of Korea and the United States in advance of the withdrawal.

29. The President consistently expressed the gratitude of the Republic of Korea

Korea for the United Nations. He wished that nothing should interfere with the friendly relations which existed between the Republic and her allies and cautioned his people against any action which might be interpreted as unfriendly toward the United Nations.

30. An agreement for the repatriation of prisoners of war was signed at Panmunjom on 8 June, which provided inter alia for a Neutral Nations Repatriation Commission composed of Czechoslovakia, Poland, Sweden and Switzerland under the chairmanship of India. The Government of the Republic of Korea expressed strong objection to this agreement; its spokesmen stated that the Republic would resist the landing on its territory of Czechoslovak, Polish and Indian military personnel, whom the Government did not consider neutral.

31. On 18 June, the President announced that with a view to avoiding grave consequences, he had directed on his own responsibility the release of the anti-Communist Korean prisoners. Accordingly, ^{the} Provost Marshal General, Lt.Gen. Won Yong-Duk, had ordered the prisoners to be released. The people of the Republic of Korea were asked to protect and help them. With the assistance of Republic of Korea guards, approximately 25,000 prisoners escaped, on 18 June 1953, from the United Nations prisoner of war camps, and about 2,000 additional prisoners escaped during the following days.

32. This unilateral action, which was taken without consultation with and contrary to the policy of the United Nations, was followed by a number of protests to the President of the Republic of Korea by persons representing the United Nations and its Members. Such a protest from the President of the General Assembly of the United Nations was delivered to President Rhee by the Principal Secretary of the Commission on 24 June 1953.

33. In an endeavour to win over the support of the Government of the Republic of Korea to an armistice, the President of the United States sent a special envoy, Mr. Walter Robertson, to Korea for conversations with President Rhee. Following the talks, which began on 26 June and lasted until 11 July, a joint statement was issued indicating that a basis of agreement for the conclusion of an armistice had been reached. Two principal points of concern on the part of the Republic of Korea were: first, that the Republic should have adequate guarantees for its security against renewed aggression, and second, that it should be able to regain its freedom of action, should it appear, after the political conference had been in progress for 90 days, that it would not be able to work out a satisfactory solution for the withdrawal of Chinese Communist forces and the unification of the country. The President, at the conclusion of the discussions, had given assurances that, although he did not agree with the armistice, he would not take any action to obstruct its conclusion and implementation. He subsequently announced that the objectives of the Republic of Korea remained unchanged; there had only been a change in methods. He further commented that the successful solution of problems at a political conference was truly preferable to a solution by means of force.

34. Immediately following the signing of the armistice on 27 June 1953, President Rhee, reflecting a decision taken by the National Defense Council the

/preceding day

day, made a statement in which he said: "I have opposed the signing of the truce because of my convictions that it will prove to be the prelude to more war, not less; to more suffering and ruin; to further Communist advances by war and by subversion. Now that it is signed, I pray that my judgment of its effect may turn out to be wrong. We shall not disturb the armistice while a political conference undertakes within a limited time to solve peacefully the problems of the liberation and reunification of Korea."

(2) Stand of the National Assembly.

35. The National Assembly fully supported the Government in its opposition to an armistice without unification, and adopted 15 resolutions on this subject; some of the more important are described below.

36. On 2 April 1953, the Assembly unanimously passed a resolution requesting that the United Nations ensure peace, unification and reconstruction, "aims which were already established as the fundamental policy of the United Nations with regard to Korea". The resolution continued: "We are not opposed to peace, but we object to a humiliating and destructive armistice. There must be a permanent peace which secures freedom and unification, and to accomplish this objective, an armistice must be based upon good faith..... An armistice, as an appeasement policy and without a democratic victory and the punishment of the Communist aggressors, will be nothing but the seed of a greater and more terrible war..... The democratic camp must follow a determined policy and show the fruits of collective security to the world. It is requested therefore that the United Nations Command march on bravely until the time when it can ensure the freedom and unification of thirty million Koreans, give life and meaning to the fundamental spirit of the United

Nations, punish the aggressors, and finally establish security".

37. On 21 April 1953, the National Assembly adopted a series of resolutions with the purpose of initiating a nation-wide campaign in opposition to an armistice which was not based on the five points proposed by the Government and in opposition to new elections under United Nations supervision in the South where such elections had already been held.

38. The National Assembly on 4 June established a special committee to make recommendations on the armistice negotiations. On 9 June, the National Assembly / unanimously adopted a resolution in which it disapproved of an armistice until such time as the Government's five points or the President's alternative proposals which he had announced on 6 June were accepted. In addition, this resolution proposed that Korean prisoners of war refusing repatriation should be released immediately and Chinese prisoners who opposed repatriation should be turned over to the Government of the Republic of China. The resolution further provided that, should the sovereignty of the Republic of Korea be ignored, and if as a result of an unfavourable armistice, foreign troops should attempt to land in Korea in disregard of the objections of the Government of the Republic of Korea, Koreans should exercise their "right of self-defense". Finally, the resolution called for preparations for an advance to the North, in order to prevent a new invasion of the Republic.

39. On 11 June 1953, the Assembly decided to address messages on the stand of the Republic of Korea on the armistice negotiations to the United Nations General Assembly, the President and Congress of the United States, and to the Governments of other countries actively participating in the United Nations effort in Korea.

At the same time, the Assembly adopted a resolution requesting the Government to take measures to ensure that demonstrations against the armistice should be conducted in a peaceful manner.

40. After the signing of the armistice the National Assembly on 3 August unanimously adopted a resolution in which inter alia it expressed its opposition to any plan for the unification of Korea which would contravene the sovereignty of the Republic of Korea.

(3) Public reaction

41. All political and social organizations which expressed views joined in opposing an armistice without unification. Editorial opinion in the Korean press without exception supported the aims of the Government, although in rare instances a word of warning was expressed concerning the methods which were being followed. Myun councils and other local bodies throughout the country adopted resolutions and petitions in support of the Government's position, and a few of these resolutions were received and noted by the Commission.

42. One petition, first appearing on 25 April and widely circulated in the form of a questionnaire during the succeeding weeks, was addressed to the Commission and delivered to it on 2 June by a delegation representing a group called the "Korean People's Self-Determination Association". This petition, by implication, expressed doubt as to the possibility of unifying Korea by means of a political conference, objected to any proposal to hold new elections in the south where internationally supervised elections had already been held, criticized General Assembly Resolution 376 (VII) of 7 October 1950, and called for recognition of the sovereignty of the Republic of Korea over the entire peninsula.

43. The Commission also received a letter dated 25 April 1953, from the "Association of Families of the Kidnapped during the June 25 Korean Incident". The letter stated that 80,000 non-combatants had been abducted. Referring to the release of civilian internees of French, British and American nationalities, the petitioners expressed the hope that similar treatment would be accorded to Korean nationals. The Commission has not been able to see any practical way in which it could use its good offices towards a humanitarian solution of the problem.

44. Mass rallies were organized in April, May and June under slogans such as "Unification or Death", "Oppose a Truce without Unification", and "March North to Unify the Nation". In the latter part of June and early July, emphasis in the demonstrations was placed on the signing of a security pact with the United States. Throughout the campaign there were banners expressing gratitude to the United Nations, and in particular to the United States, for the assistance given to the Republic of Korea.

45. The security bureau of the Ministry of Home Affairs reported that up to 10 May, 7,282,100 persons had participated in a total of 2,752 meetings in this campaign. Practically every household was represented in the demonstrations. Schoolchildren, veterans, women and members of youth organizations were the most frequent participants.

46. In the week following the agreement reached at Panmunjom on 8 June concerning the repatriation of prisoners of war, demonstrations against the approaching armistice were intensified. During this period, a veterans group, with a message for the Secretary-General of the United Nations, called on the Commission

in Pusan on 12 June. The message, which the veterans requested the Commission to transmit to the Secretary-General, opposed a truce on conditions which they considered would render worthless their sacrifices, requested arms and equipment for Korea, a security guarantee from the United States and other free nations, and protection by the United States Air Force and Navy. The Commission informed the veterans that their message was being forwarded to the Secretary-General, and that the subject matter was not within its competence.

47. On 19 June 1953, the Commission received from the Secretary-General his reply to the veterans group, which was issued as a press release on the following day. The Secretary-General stated: "The interest of the United Nations in Korea has been shown in many ways in the course of the past six years. Especially, it should be remembered how the United Nations took prompt and vigorous action to repel aggression against the Republic of Korea, when its very existence was threatened. You may rest assured that the General Assembly at its next session will deal both with the immediate and with the long-range political and economic problems of your country. I am confident that for their part, the people of Korea will extend to the United Nations their full co-operation and support".

by the people of the Republic.

48. The release of prisoners of war on 18 June was generally welcomed. However, some uneasiness was expressed that this action might endanger the relations of the Republic of Korea with its allies, in particular by Dr. Chough Pyong-Ok, Secretary-General of the Democratic Nationalist Party, and Mr. Kim Yoon-Yun, also a member of the DNP. Following a press interview, Dr. Chough was beaten by unidentified persons and his house in Seoul, and the house of Mr. Kim in Pusan were damaged. The office of the Democratic Nationalist Party in Pusan was also attacked by mobs. On 24 June, Dr. Chough was placed under protective custody, and while still under

/detention

detention, a warrant was issued charging him with a violation of the laws regarding public disturbances. On 22 July, Dr. Chough was released; three days later he issued a statement explaining that his remarks on the release of prisoners of war had been misinterpreted and that he was in full support of the President's action. This statement confirmed a previous statement issued by the Democratic Nationalist Party at a time when it had endorsed the action of President Rhee in releasing Korean prisoners of war.

49. When the armistice came, it was received quietly. There were no public displays, either of protest or rejoicing. Daily activities went on without interruption. So far as one could observe, it was as though nothing had happened, the Korean people absorbing the armistice as they had absorbed the hardships which had gone before.

50. Editorial comment and press description of public feeling were uniformly sober and reserved, while, at the same time, reflecting a mixture of anxiety, apprehension and disappointment. They were glad that there was at last an end to bloodshed and destruction, but were pessimistic concerning the future. Some editorials expressed disapproval of an "ignoble" or "dishonourable" armistice, or regretted that an armistice had been signed which left Korea divided and aggression unpunished. The peace which Korea desired, it was thought, could not be realized until a unified Korea was achieved. Many editorials expressed fear of a new aggression or of trickery or subversion. Finally, the desire for a guarantee of adequate security was voiced.

CHAPTER III

DEVELOPMENT OF REPRESENTATIVE GOVERNMENT IN THE REPUBLIC OF KOREA

51. The year under review has been characterized by the consolidation of the President's position, the ascendancy of the Liberal Party in the Assembly and the weakening of the opposition

A. The Executive

52. During the period of the present report, the President of the Republic of Korea, Dr. Syngman Rhee, who had been returned to office by a large popular vote on 5 August 1952, continued to maintain the reins of government firmly in his hands. At the same time, he continued to consolidate his support through the Liberal Party. Throughout the period, he has been able to demonstrate his command of popular support for his policies, particularly with regard to the armistice, by demonstrations and other public manifestations.

53. Mr. Chang Taek-Sang, who had become Prime Minister during the constitutional controversy between the Executive and the National Assembly last year, and who had played a large part in working out a compromise, tendered his resignation which was accepted by the President on 5 October. On 9 October, the President appointed the Minister of Finance, Mr. Paik Too-Chin, to serve as acting Prime Minister.

54. There was some difficulty in finding a nominee for the premiership acceptable to the National Assembly. The latter successively rejected two candidates nominated by the President and finally, after more than 6 months as Acting Prime Minister, Mr. Paik Too-Chin was confirmed by the Assembly.

Annex II shows the other changes which took place in the Cabinet during the year.

55. On 24 June 1953, a National Defense Committee, or "war cabinet" was established by Presidential Decree, with the President as Chairman, the Prime Minister as Vice-Chairman, the Ministers of Defense, Home Affairs, Foreign Affairs and Finance, and the Chiefs of Staff of the Army, Navy and Air Forces of the Republic of Korea.

B. The National Assembly

1. Organizational matters.

56. The legislation necessary for the election of members of the House of Councillors, established by the constitutional amendments promulgated on 7 July 1952, has not yet been enacted. Pending this election, the House of Representatives, in accordance with the constitution, continues to act as the National Assembly.

57. The Government, in addition to requesting elections for the House of Councillors, also proposed by-elections to fill the seats of the 27 members of the National Assembly who were taken North by the North Koreans in 1950 following the invasion of the Republic. The National Assembly has not, however, agreed.

58. Amendments to the National Assembly law which placed responsibility for approval of expenditure from the Assembly's Reserve Fund in the hands of the Assembly Chairman, instead of in the hands of the President of the Republic, and established a standing committee on the budget. They also provided for election of committee chairmen by the Assembly as a whole, instead of by each committee separately, were passed on 28 November 1952. After a preliminary controversy over the form of the amendments had been settled, the bill was vetoed by the President. It was subsequently re-enacted, omitting the provision concerning control of the reserve fund, which remains under the President, and was then accepted by the Government.

59. Apart from the Budget and Audit Committee thus established, the present committee structure remained unchanged from that described by the Commission in its 1950-51 report (A/1881 para. 135). Various ad hoc committees were set up, to investigate the protection of human rights, to examine the distribution of grain in the Cholla and Chungchong provinces and to make recommendations regarding the armistice negotiations.

60. Under the amendment to the National Assembly law, new elections of chairmen of the standing committees by the whole Assembly were held on 29 January 1953. The election was considered to be a victory for the opposition since only 3 of the 14 chairmen were regarded as Government supporters, as against 8 of the 13 previous chairmen. An Independent became chairman of the Committee of the Whole. However, at the time of signing this report, because of re-alignments in Assembly groups, seven chairmanships are held by the newly consolidated Liberal Party supporting the Government, 6 by Independents and 1 by the Democratic Nationalist Party.

(2) Legislative programme

61. In spite of the Assembly's preoccupation with armistice matters from April to July, the past year has witnessed a considerable output of constructive legislation. Among the most important of these laws is the new Penal Code, which will come into effect on 3 October 1953. This Code will replace the Japanese Penal Code of 1912 which has continued to be operative in Korea and will thus give to the Republic of Korea for the first time a criminal law prepared by its own institutions.

62. A first draft of the Code was prepared in 1949 by the Legal Codes Compilation Committee, appointed by the President from among persons with outstanding

legal experience, including judges, prosecutors and professors of law. The draft was examined by the Legislation and Justice Committee of the National Assembly prior to its introduction in the Assembly on 16 April 1953. It received final approval on 9 July 1953. The Criminal Codes of other countries were studied by the Committees in compiling and reviewing the Code and efforts were made to remove authoritarian elements, to protect human rights and to preserve national customs.

63. A second group of laws which should be noted are the five labour laws passed by the Assembly between 23 January and 7 May 1953. These are: the Labour Union Law, the Labour Committee Law, the Labour Disputes Law (each promulgated on 8 March 1953); the Labour Standards Law (promulgated on 15 May 1953); the War-time Labour Conscription Law (promulgated on 3 June 1953).

64. These laws are intended to implement constitutional provisions guaranteeing freedom of association, collective bargaining and collective action of labourers, and the rights of labour, particularly of women and children. The first three laws provide a basis for the relations between labour and industry. Their purpose is to maintain industrial peace and at the same time to secure the freedom of organized labour. The Labour Standards Law fixes the minimum standards of working conditions, governs minimum wages and hours, forbids discrimination on the grounds of sex, and makes the employer responsible for minimum health and safety conditions. The War-time Labour Conscription Law places responsibility for its implementation in the hands of the Ministry of Social Affairs rather than under the Ministry of Defense and provides certain benefits and protection to conscripted labourers. Up to date, however, the role of the Labour Administration in the Government remains small.

65. Another significant law is the Civil Service Law for teachers, which regulates the qualifications, appointment and release, remuneration, duties, guarantee of status and discipline of teachers employed by the Government.

66. On 30 May 1953, the National Assembly passed four laws over the veto of the President. These laws dealt with: 1) Management of ex-Royal Property; 2) Testimony before and Inspections by the National Assembly; 3) Crimes Committed in War-time; 4) Regulation of political movements. The last of these prohibits, under severe penalty, the arrest, intimidation, or bribing by a public official of any person engaged in a political movement during a prescribed period of political campaigning, forbids a government employee from compelling a citizen to make a political expression, and prohibits violence or the threat of violence by any person against an individual engaged in a political campaign. It is intended to give a legislative guarantee to the right of the people to express their will freely and without restraint during election periods. Political organizations are required to register with the Secretary of the National Assembly and the Assembly may refuse registration to illegal parties and groups. The laws had not been promulgated at the date of this report.

67. In addition, the Assembly twice passed an amendment to the Land Reform Law, which would have provided for payment in cash instead of in kind for lands acquired under the law. On each occasion, however, the bill was vetoed by the President and at the time of writing has not obtained ^{the} two-thirds majority necessary to override the veto.

68. The Assembly also devoted a great deal of time to the consideration of the annual budget for 1953/54 and supplementary budgets for the preceding year. It enacted a number of laws dealing with financial and economic problems, and the annual inspection of the administration.

(3) Negotiating groups

69. The number and nature of negotiating groups ^{1/} in the National Assembly have greatly changed during the year under review. In January 1953, at the time committee chairmen were elected, the alignment in the Assembly was as follows: Liberal Party (amalgamation faction) supporting the Government, 74 members; Democratic Nationalist Party, 30 members; Assembly Liberal Party (opposition), 26 members; Silla Hoe, 20 members; Independent Club, 20 members. In addition, there were 13 Independents who were not registered with any group. At the time of writing this report, it had become:

Liberal Party	103
Democratic Nationalist Party	23
Independents (unregistered with any group)	56

70. This change was brought about by the secession of members from other groups to the Liberal Party (amalgamation faction) which became "the Liberal Party". In particular, 18 members of the Silla Hoe, a group under the leadership of former Prime Minister, Chang Taek-Sang, which had

1/ A negotiating group consists of 20 or more Assemblymen registered for the purpose of negotiating and reaching compromise solutions on matters being discussed by the Assembly. Political activity within the National Assembly is carried on mainly through these groups which do not necessarily correspond with political parties outside of the Assembly.

held the balance of power in the Assembly and had worked out the compromise constitutional reform in 1952, joined the Liberal Party on 9 February 1953.

71. On 21 July 1953, 6 members of the Democratic Nationalist Party, the only remaining opposition group, seceded from the party. As other members are contemplating similar action, the continued existence of the DNP as a negotiating group is seriously threatened.

C. Political parties and social organizations.

72. The consolidation of the Liberal Party in the National Assembly, outlined above, was offset by serious conflicts and a lack of cohesion within the party and its constituent organizations. The conflict was further sharpened when the Liberal Party in March refused membership to Mr. Chang Taek-Sang. At its convention on 26 September 1952, the party confirmed President Rhee as its head and decided at his suggestion to replace its central executive committee by a six-member board representing the following organizations: National Society, Taehan Youth Corps, Federation of Farmers Associations, Taehan Federation of Labour, Taehan Women's Association and Women's Youth Corps. However, this board has not yet been installed.

73. The principal conflict within the party and its constituent organizations exists between the supporters and the opponents of Mr. Lee Bum Suk, defeated candidate for the vice-presidency in 1952. The former had the ascendancy in the May/¹⁹⁵³convention of the party, but the leaders of the National Society, the Taehan Youth Corps, the Farmers Association and the Taehan Federation of Labour did not attend the convention, alleging that there had been irregularities on the part of the credentials committee.

74. From time to time, the President has called for harmony, but, for the most part, has held himself aloof from these factional struggles.

75. The dissensions of the Liberal Party were also prominent in the Federation of Farmers Association, which was reorganized in December 1952 and became the Farmers Association. In March/ ¹⁹⁵³ two conventions were held, each claiming to represent the Association. However, following an appeal by the President, a new single convention was held in May and it is hoped that issues within the Association will be permanently settled, allowing it to devote itself to a constructive programme.

76. The Democratic Nationalist Party, although it showed some harmony and revitalization at its , October 1952 convention has never fully recovered from its severe defeats in the elections of that year. Moreover, the party and some of its leaders have been targets of criticism and pressures which have considerably weakened its position. Nevertheless, it remained the main opposition up to the time of writing this report.

D. Relationship between the Executive and the Legislature

77. As has been noted in previous reports, the Constitution of the Republic of Korea represents an endeavour to blend the Presidential and Parliamentary systems of representative government. This fact has given rise to certain practical difficulties in reconciling the respective roles of the President, the Prime Minister and the National Assembly, difficulties which were not resolved by the compromise amendments to the Constitution last year.

78. Apart from the armistice issues, the Assembly and the Executive have often shown their independence of one another. There is little doubt that the President could bring decisive influence to bear on major issues. However, the Assembly has formulated its own policies, maintained its decisions against the Presidential veto, withheld action on legislation requested by the

Government and passed laws in a form substantially different from that desired by the Executive. The Assembly's annual report on the inspection of the Administration was outspoken in its criticism and suggestions but has not so far been followed by any legislative action.

79. On 25 November 1952 the National Assembly adopted a resolution requesting the recall of the Foreign Minister from the Korean delegation to the General Assembly in New York, because of criticism of the National Assembly made by him in connexion with the consideration of the Commission's 1952 report by the General Assembly of the United Nations. The constitution and laws do not make such resolutions mandatory and this and a number of resolutions of this kind passed by the Assembly have not been complied with by the Government.

80. Liaison and communication difficulties between the Government and the Assembly arose during recent months owing to the gradual transfer of Ministries to Seoul while the Assembly remained in Pusan, the provisional capital. Ministers were not always able to leave Seoul when required for interpellation by the Assembly and there were often long delays. The Assembly found it desirable to maintain a committee in Seoul for contact with the Government and to follow armistice questions.

E. Proposed Constitutional Changes

81. The Commission in its 1952 report (A/2187, paras. 109-111) pointed out that the President had made certain suggestions for further constitutional /amendments.

amendments. These suggestions were repeated from time to time during the period covered by this report, but were never presented as formal proposals to the Assembly. In particular, the President has indicated his desire for amendments which would subject the National Assembly/^{members}to recall votes by the people and which would provide a national referendum on important decisions affecting the national interest, such as changes in the government organization.

F. Local Government

82. The Commission, in its 1952 report (A/2187, paras. 40-46), described the first elections for city(shi), town (eup), township (myun) and provincial councils under the local autonomy law. These local elections were held throughout most of the Republic, except in the northern parts of the country immediately south of the battle line, and in a few other places where guerilla activity had made it necessary to continue martial law. The guerilla situation improved sufficiently to permit the lifting of martial law and the holding of these elections in May 1953.

83. Members of the Commission, during visits to the provinces, have observed the operation of the local governments during the first year after the elections. While it is too early to draw any general conclusion, impressions gained have been favourable. The Commission considers that the participation of the Korean people in local government, which provides political experience, is of importance for the continued development of representative government and for the future of a democratic Korea.

G. Judicial Matters

84. In its 1952 report, the Commission described its observation, at the invitation of the Government, of the trials by court-martial of National Assemblyman So Min-Ho, charged with the murder of an army officer. With the

expiration of martial law, the case was transferred to the civil courts. At the time of the signing of this report, no judgment had been rendered.

85. The trial of the persons charged with the attempted assassination of the President on 25 June (A/2187, paras. 87 and 108), which had begun on 22 August 1952, was conducted in civil courts. On 15 September 1952, the two principal defendants, Assemblyman Kim Si-Hyon, accused of planning the assassination, and Mr. Yu Si-Tae, who actually held the gun, were convicted and sentenced to death. Other defendants received prison sentences or fines, and four were acquitted. Both the prosecution and the defense filed appeals. On 6 April 1953, the High Court in Taegu confirmed the death and prison sentences and acquitted the remaining defendants. Appeals are now pending before the Supreme Court.

H. Observations.

86. In reviewing the political situation in the past year, it should be recalled that the Republic of Korea, since its birth in 1948, has held itself open to international observation of the development of representative government. The Commission in its previous reports has pointed out considerations which must be borne in mind in observing political developments in Korea (A/1881, paras. 155-164 and A/2187, paras 166-167). It would again call attention to these considerations in connexion with the present report.

87. Despite certain trends and practices noted in previous reports which it is hoped are of a transitory nature largely resulting from war conditions, the basic constitutional structure of the Republic of Korea remains representative and democratic. The political education of the people and the training of government officials at all levels remain requirements for the

/further

further development of representative government. The Commission believes that technical assistance should continue to be given to the Republic of Korea in this respect.

88. Much remains to be accomplished in establishing a satisfactory relationship between the executive and legislative branches of the government, and in resolving the difficulties which are inherent in an effort to combine the Presidential and Parliamentary systems in a single constitution. It is the Korean people themselves who must work out, in the crucible of experience, the representative system most truly adapted to their character and needs.

89. With respect to the development of political organization, the growth of the Liberal Party has been noted. Whether the negotiating group of the party in the National Assembly will be able to consolidate into a stable organization or will go the way of the short-lived majority (Republican People's Political Association) of 1951, remains to be seen. The Commission hopes that a party system may develop with a majority able to translate into government policy the will of the majority of the people, while at the same time permitting a free, loyal and constructive opposition to represent other elements of the population and to strive towards becoming a majority.

90. The Government has furnished a strong and independent leadership. The President's prestige with the people of the Republic of Korea appears to have increased during the period under review, as a result of the stand he took

/in connexion

in connexion with the armistice and the release of prisoners. Perhaps the growing confidence of the Government in its own abilities is the most significant trend of the past year. The Government has convincingly demonstrated its will to insist on the recognition of what it considers the basic interests of the Republic.

CHAPTER IV

ADMINISTRATION OF AREAS NORTH OF THE THIRTY-EIGHTH PARALLEL UNDER U.N. CONTROL

A. Administration.

91. The Commission, in its report of 5 September 1951 (A/1881, paras.92-127) described the questions which had arisen and the actions taken with regard to the administration of areas North of the 38th parallel brought under the control of the United Nations Command. The Interim Committee on Korea, by its resolution of 12 October 1950, had advised the Unified Command to assume provisionally all responsibilities for government and civil administration in those parts of Korea which had not been recognized by the United Nations as being under the effective control of the Government of the Republic of Korea at the outbreak of hostilities and which might come under occupation by United Nations forces, pending consideration by the Commission.

92. The Commission was not required to take any new decision on North Korea, since the United Nations forces had withdrawn from the area before it had had an opportunity to consult with representative sections and bodies of the population. For reasons of principle, as well as on practical grounds, the Commission believed that the United Nations Command, for the time being, should continue to administer the territory North of the 38th parallel under United Nations control.

93. During the period covered by the present report, the Commission considered certain questions which arose with regard to those areas under United Nations control.

94. On 21 December 1952, the National Assembly of the Republic of Korea adopted the following recommendation:

"Military administration prevails at present in the liberated areas North of the 38th parallel, and relief, security and other civil functions are performed with difficulty. Therefore, it is recommended that the right to administer the area be transferred to our Government at the earliest possible date and, at the same time, farmers from these areas be permitted to return to their farms, insofar as it does not impede military operations." 1)

95. A little over a month following the adoption of this resolution, press reports suggested that the Government of the Republic of Korea was again making plans for the administration of the area. The Commission was of the opinion that it was not an appropriate time to reconsider the question, and after informal discussions with Government officials and members of the National Assembly, the recommendation was not pressed.

B. Return of evacuated families.

96. At the same time, the Commission received a letter dated 10 February 1953 from Mr. Cho Chung-Whan, acting Foreign Minister of the Republic of Korea, which urged that evacuated inhabitants of areas North of the 38th parallel, now under United Nations control, be allowed to return to their homes, whenever such return would not interfere with military operations. Every possible aid, the letter stated, must be rendered to the repatriates, as well as to those remaining in the areas for their resettlement and to enable them to resume farming activities in time for spring planting. The Government offered any civil

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First meeting of the 15th (regular) session of the National Assembly.
English text from Office of Public Information of the Republic of Korea
Release R-161 of 5 February 1953.

administrative assistance that was needed, and requested the Commission to use its good offices in co-ordinating with the competent authorities to help this repatriation.

97. The Commission replied on 14 February 1953 that it was "impressed by the importance of allowing evacuated inhabitants to return to their homes as soon as practicable and of helping them with their farming activities". It expressed agreement that "any action in these directions must not be allowed to interfere with military operations and the overriding consideration of effectively waging the war". The Commission gave its assurance that the request was receiving careful consideration and that the Commission was investigating whether anything could be done at that stage to help.

98. The matter was subsequently taken up with the competent military authorities who expressed sympathy with the idea of returning farmers to their land, indicated that further studies of the possibilities were being made, and that in any event, farmers were continually being returned to their homes. This reply was communicated to the acting Minister of Foreign Affairs.

C. Incidence of currency reform.

99. The issue of a new currency by the Republic of Korea following the issuance of the Presidential Decree of 15 February 1953 (see Chapter V) raised the question of currency exchange in the areas North of the 38th parallel under United Nations control. In accordance with the advice of the Interim Committee on Korea of 7 November 1950, currency of the Republic of Korea was in use in areas North of

the 38th parallel under United Nations control.

100. Following consultation with Brigadier General A.L. Hamblen, a resolution was adopted and sent to General Mark W. Clark, Commander-in-Chief, United Nations Command, indicating that, in the opinion of the Commission, the United Nations Command should:

- a) authorize the use of the new currency of the Republic of Korea, the "hwan", as legal tender in those areas of Korea North of the 38th parallel which are under control of the United Nations Command;
- b) proclaim a rate of conversion for the "won" into the new currency of the Republic of Korea identical with the rate proclaimed by the Republic of Korea in Presidential Decree No. 13, viz. 1 hwan to be equal to 100 won;
- c) withdraw the old currency from circulation in those areas as soon as practicable, and if possible, by the 25th of February, and replace it by the new hwan currency".

101. The Commission received a reply dated 28 February 1953 on behalf of the Commander-in-Chief, which enclosed a letter of 26 February 1953 from General Clark to the President of the Republic of Korea, which confirmed the informal arrangements entered into by representatives of the United Nations Command with officials of the Government of the Republic of Korea, whereby the old won currency in circulation in areas North of the 38th parallel might be replaced by the new hwan.

CHAPTER V. ECONOMIC AND SOCIAL QUESTIONS

A. Review of the Economic and Financial Situation in the Republic of Korea

102. The basic economic problems of South Korea remain as they have been described in earlier reports of UNCURK and UNKRA. Under the Japanese regime, the economy had been developed to complement the Japanese economy. At the same time as this link was broken the balance between the North, the main source of industrial materials and power, and the South, which supplies most of Korea's grain, was destroyed by the division of the country at the 38th parallel. Moreover, because of the thirty-five years of Japanese control, Korea was left with a weak administrative structure and a shortage of trained and experienced officials.

103. To these considerable difficulties have been added the devastations of war. There has been tremendous war damage and economic dislocation; industrial production has suffered heavily. Huge numbers of refugees from the North have added to the complications. The efforts of the Government to increase its Army and the continuation of high military expenditure have made crippling demands on the economy.

104. The result has necessarily been a severe shortage of goods, a negligible export capacity and great hardships for the Korean people. These misfortunes have been further reflected in heavy budget deficits and inflation.

105. Although there is a shortage of skilled personnel, unemployment has persisted despite the inflation. There are no reliable statistics of unemployment, but on the basis of reports prepared by the Provincial Governments, the number of unemployed at the end of February 1949 was given as 895,000. Today, the number is probably higher, notwithstanding indications of recent improvement as a result of the expansion of the Republic of Korea military forces and an increase in industrial activity and agricultural production.

106. Associated with unemployment is the problem of relief of war victims. The total

number of these, including war sufferers, local destitutes, and about 2,500,000 refugees, has been estimated at 7,500,000, but fortunately not all require relief. Of those who do, many, it is claimed, are able and anxious to work. So far, the Government, with considerable assistance from the programme of Civil Relief in Korea (CRIK) has been aiding these unfortunates through the distribution of grains and other supplies, but these direct relief activities should be changed as soon as possible. Relief supplies are limited. There is urgent need to mobilize all available manpower to expand production, and there is the danger that war victims will become too dependent on relief and, in the long run, unemployable. The Government plans to change the relief system, so as to enable the war victims to look after themselves. In several provinces, schemes to employ these people on useful work, such as irrigation schemes and reforestation, have already been initiated. The Government is considering an extension of this programme, but the problem is one of creating employment opportunities, and it seems evident that the Government can only provide these adequately with greater assistance from outside.

107. That the economy of the Republic of Korea has been able to keep going and withstand the severe economic pressures so long says much for the help, mainly in the form of relief goods, that the United States (through UNCKACK) and to a lesser extent other governments, agencies and organizations have provided. It also owes much to the hardiness of the Korean people, as well as the simple nature of the economy. South Korea is predominantly agricultural, and agriculture, despite its uncertainties, has been better able than other industries to maintain some stability.

108. Towards the end of 1952, however, there was every reason for concern. The level of aid was inadequate and the financial burdens of war, the shortage of consumer goods, the high level of bank credit and the heavy won expenditure by the United Nations forces were resulting in a dangerous inflationary spiral. The alarming proportions that this

problem had reached are set out in an Addendum to the Report of the Agent General of UNKRA (A/2222/Add.2). . . . During the winter, the inflationary difficulties increased, so that at the beginning of February of this year, the Food Retail Price Index in the Pusan area had gone up nearly one-third since November and stood at twenty-three times the index figure which had obtained just prior to the invasion of the Republic of Korea in June 1950.

109. Since then, the country has suffered the rigours of an exceptionally bad food year. April and May are months of food shortage in Korea. This year, owing to exceptionally bad weather conditions which had a most adverse influence on the last year's rice crop, acute food shortages occurred in a number of places, more particularly in districts where transport was difficult.

110. Nevertheless, since the end of February, as a result of sustained Government and international efforts, there has been some improvement in the general economic position. At first sight, it might appear that the check to inflation was the result of the currency reform announced on 15 February 1953.^{1/} The salient feature of the reform was the withdrawal of the won currency and its exchange for new hwan currency at the rate of 100 won to 1 hwan. At the same time, a proportion of cash deposits and bank deposits were frozen according to sliding scales, in an attempt to reduce the note circulation. In this respect, however, the reform was not very significant. It only moderately reduced the supply of money, which by the end of June was already higher than it had

^{1/} Important figures in connection with the conversion were as follows:

Total won issue before conversion	1,136,721 million
Amount blocked	111,050 "
Approximate amount not surrendered	25,000 "
Unpaid taxes collected through conversion operations	66,895 "

been before the conversion. Its main results were to facilitate accounting and the carrying of money by reducing the monetary unit, and to facilitate tax collection. It also revealed the extreme poverty of the mass of the Korean people.* Of the approximately four million households in the Republic of Korea, nearly one and a half million either did not hear about the conversion, or had no money to exchange. Of the remaining two and a half million households, over two million had less than 500,000 won per family.

111. By far the most important factor in the improved economic situation has been the greater flow of imports. These derived from a number of sources - from Civil Relief in Korea (CRIK) supplies; from UNKRA, which, with the support of the Commission (see paragraphs 165-167) modified its programme early in the year by increasing the funds allotted for imports of consumer goods and particularly of grain; and perhaps most important of all from the Republic of Korea's own vigorous import policy. The highlight of the latter was the grain import programme which, in the opinion of the Commission, was timely and a major contribution to stability over the last six months.

112. It is significant that the price of rice in Pusan, which is vitally important for the stability of wages and other prices, was lower in July 1953 than it was a year before. (1,325 hwan per mal (20 litres) in July 1953 compared with an equivalent of 1,364.2 hwan in July 1952.)

113. In addition to the grain programme, the Government has made special dollar loans to Korean importers. The procedure followed was that of a "loan" to importers against a collateral in hwan. On receiving the loan, the importer deposited an amount corresponding to 60 hwan per dollar. An additional sum, determined for each commodity broadly on the basis of the relationship between its wholesale price in hwan and the CIF dollar cost with an allowance for a 20% profit as an inducement was deposited before the imported commodities cleared the customs. In practice, this has represented rates of exchange varying between 100 and 240 hwan to the dollar, with an average of about

190 or 195 hwan to the dollar. \$20,000,000 were granted in March, of which \$10,000,000 were allotted for the import of consumer goods, including grains and fertilizers, and \$10,000,000 for capital goods. These credits were continued, and had reached a total of \$50,000,000 at the end of June. As a result of the Government's vigorous import policy, the flow of imports into Korea for the first five months of 1953, excluding all aid goods, exceeded the total for the whole of the previous year. Partly perhaps as a result of these Government policies, there also appears to have been an increased supply of consumer goods from previously hidden stores.

114. That the Government was able to carry out the import programme and to check the upward movement in the level of prices, was largely the result of the won settlement with the United States. Advances of local currency to the United Nations Command had been an important cause of inflation last year, but when in March this year the United States paid over \$85,800,000 in settlement for outstanding drawings, the Government's financial problems were greatly eased and it was in a position to offset these inflationary effects. It is to the Government's credit that it seized the opportunity and spent the dollars quickly.

115. More recently, the Government has extended its policy against inflation by tightening the control of credit. In the past, credit expansion by the banks has been an important cause of inflation, but in the future, commercial bank credits are to be severely restricted except for loans under government guarantee. Another favourable factor has been an improvement in customs regulations and a government drive against contraband traffic.

116. Improvements have also been noticed in local production. Following a poor rice harvest last year, agricultural production in 1953 has, on the whole, increased. With the help of new boats, nets etc. provided by UNCACK and UNKRA, the supply of marine products is about 4% above last year's figure. The supply of power has increased by

about 20 % during the year through the rehabilitation of hydro-electric plants and particularly by the work at Hwachon, above the 38th parallel. Coal mining has shown improvement, as has other mineral production, notably tungsten. Generally speaking, there has been an upward trend in industrial production, more particularly in textiles and electrical appliances. Now, about five yards of cotton material or its equivalent are available per head of population as against three yards in 1952. However, as much of the current production is for the military forces, only about two and a half to three yards is available to civilians compared to about twelve and a half yards per head before World War II.

117. Notwithstanding the check to inflation and these individual improvements, Korea still faces serious problems. In no way could this be more convincingly shown than by an analysis of the 1953/54 budget.

118. The 1953/54 budget, as approved by the National Assembly, provides for the expenditure of ₩ 86 billion (\$US 1.4 billion at the official rate of exchange of ₩ 60 to \$ US 1) ¹⁾ Total revenue, however, constitutes only about half of the expenditure, leaving a balance of ₩ 43 billion in deficit. ²⁾

119. The Government explains that this deficit arises from the recent 28 times increase in cash payments for servicemen and Government workers in the armed forces and from the expansion in the Republic of Korea Army strength.

/No

¹⁾ Under agreement with the United States, the rate at which the military forces draw their hwan is ₩ 180 to \$ US 1.00)

²⁾ By withholding the much needed increase in army pay and by delaying important capital reconstruction schemes the Government has restricted budgetary expenditures. Only 12 % of the year's budgetary allocation for the general account has been spent in the first quarter of the fiscal year, and only 13 % of the special war account. Unfortunately, this saving is offset by a lag in receipts of about the same proportions.

No less than ₩ 57 billion (US \$ 962 million), or 66 % of the total expenditure, has been appropriated for maintaining Republic of Korea troops. Of the ₩ 43,100,000,000 estimate of Government revenue this year, ₩ 20,000,000,000 is to come from income taxes, with most of the remainder coming from Government monopolies, such as cigarettes and salt.

120. If anything, the official figures underestimate the size of the prospective deficit. Notwithstanding the opportunities offered by the monetary reform, tax collections in 1952-53 fell seriously behind tax liabilities and behind budget estimates of tax collections, and this will continue in 1953/54. Moreover, since the budget revenues include capital receipts from national bond sales and from the sales of vested properties, they can be considered as overstated.

121. On the other hand, despite reports that the Government is considering economizing by amalgamating Ministries and dispensing with superfluous staff, expenditures may be regarded as understated. Operations of only some of the Government enterprises, such as the railways, and postal services and telegraphs, have been included, whereas the current trading losses of many Government and semi-Government corporations operating at a loss have been left out. The Government is considering methods for improving the control and efficiency of these corporations, but as matters stand, their losses are made up by inflationary bank loans, many of which are guaranteed by the Government and rediscounted by the Bank of Korea. Official bank loans for capital expansion programmes not included in the budget add to the inflationary pressures.

122. In view of all these factors, the measure of success achieved in the last six months in holding inflation in Korea is likely to be short-lived unless special steps are taken either to control prices, wages and consumption, or to move towards a more balanced budget.

123. When the Assembly considered the Budget Bill in January, it quickly agreed on the hopelessness of dealing with the financial problem without foreign aid. It pointed out that official taxes were already taking 25 % of the people's earnings and that it was impossible to take more in this form. Since taxes and financial contributions of an unofficial nature are widely levied, the real level of taxation is much higher than the official figures indicate.

124. In concluding that the only means of meeting the Government deficit would be by foreign aid, the National Assembly in January unanimously approved messages to the President of the United States, the Secretary of the United Nations General Assembly, the United Nations Command, UNCURK and others, outlining the Republic of Korea budget problems and calling upon them for assistance in meeting the huge deficit.

125. The response of the President of the United States was to send a special mission headed by Dr. Tasca to study, along with the Government of the Republic of Korea, means of dealing with the budgetary problem and other related economic problems. Dr. Tasca and his mission remained in Korea from 18 April to 10 June. They appreciated that the Republic of Korea could not, without disastrous inflation, continue its high level of war expenditure without a considerable increase in foreign aid. Dr. Tasca informed the Commission that in his opinion Korea had a high economic potential which, with proper development, could permit impressive achievements. He believed that the United States and the United Nations should work together as a team and that a re-organization was necessary in order to ensure a better co-ordination of economic assistance. This last point is of special relevance since, for some time, the Government of the Republic of Korea had been complaining about the multiplicity of agencies which

/they

they have had to consult on economic matters.

126. It will be clear from this and previous reports that the Commission fully endorses the view that increased aid is needed in Korea. The early development of a comprehensive and co-ordinated import programme for 1954 is an urgent matter. It must also be stressed that any programme of aid must take into account the capacity of the Republic of Korea to absorb the help and the possibility that bottlenecks, such as administration and transport difficulties, might limit the extent to which an aid programme can be carried through in the coming year. The Commission also believes that special arrangements will be necessary to co-ordinate the economic assistance given through various channels to Korea. It would be premature, at this stage when it is unaware of the details of Dr. Tasca's report, to make specific recommendations, but it would seem desirable that economic assistance from the United Nations should be integrated into an overall co-ordinated programme for which the United Nations would assume its share of responsibility.

127. With the conclusion of the armistice and the announcement by the United States of considerable economic support for the Republic of Korea, economic prospects at the time of the writing of this report are brighter. It is as well, however, to sound a note of warning against unbounded optimism. While an increased flow of aid will facilitate an approach to a balanced budget and to a market economy, considerable modifications are needed in the internal structure of the South Korean economy before that assistance can be fully effective. The measures which are urgently needed but which could only take effect slowly cover a wide variety of fields, including measures to improve tax

/collection,

protection of the people against illegitimate impositions, adjustment of rates of exchange and elimination of artificial prices and wage arrangements at present hindering production and distribution. By no means the least important of the reforms which the Commission considers desirable, would be to increase Government salaries substantially. As reported last year, levels of salaries and wages of Government servants are below living expenses, so that Government employees are obliged to find other sources of income. This inevitably has damaging effects on the administration and the efficiency of the service.

128. The division of Korea adds seriously to the difficulties that must be overcome if the Republic of Korea is to become self-supporting at reasonable living standards. The FAO mission, which visited Korea under the auspices of UNKRA last year, agreed that, given favourable circumstances, the Republic of Korea could become self-sufficient in food by 1956. The mission, however, concluded that even in these favourable circumstances, the population of the Republic of Korea could be expected to increase faster than food production after 1958. The mission further pointed out that the Republic of Korea has one of the highest densities of population in relation to arable land in the world, and that in the circumstances it would, like other countries with heavy pressure of population, have to turn to increased industrialization to support its people.

129. As the main industrial resources were North of the 38th parallel, the continued division of the country imposes the need to develop power, transport and coal as a basis for further industrialization in the South.

130. Although the conclusion of an armistice should provide greater opportunities to stimulate local production and provide for relief and rehabilitation, /the

the problem of reconstruction in the Republic of Korea is so immense that a period of stability and security is essential if the task is to be tackled adequately. As long as the Republic of Korea is obliged to maintain between sixteen and twenty divisions of troops under arms, budget problems and inflationary pressures will continue. It would appear most unlikely that the Republic of Korea could develop a self-supporting economy, even given the high level of economic assistance now expected, if she must bear the present burden for her security in a divided peninsula. In any event, considerable care will be needed in the selection of rehabilitation projects and some capital expansion projects will probably have to be postponed for the time being.

131. Unification of Korea is, therefore, not only an important political objective. It is also a highly desirable goal as a means of reuniting the complementary economies of the South and North, and as a means of promoting the security and stability so essential to enable the people of Korea to devote their full efforts to reconstructing their war-battered country. In the meantime, while unification is being sought and conditions of peace established, the burden of security must be collectively borne, if the Republic of Korea is to have a real opportunity to develop towards a self-sustaining economy.

B. Relief and Civil Assistance

(1) Reorganization of the United Nations Civil Assistance Command, Korea.

132. Previous reports of the Commission have described the programme of relief and civil assistance which has been carried out by the United Nations Civil Assistance Command, Korea (UNCACK). This programme of Civil Relief in Korea (CRIK) has continued during the period of the present report.

133. As from 1 July 1953, the United Nations Civil Assistance Command, Korea (UNCACK), which was part of the Korean Communications Zone (KComZ) Command under Major General Thomas W. Herren, was placed under the direct authority of the Commander-in-Chief, United Nations Command, under the name of "Korean Civil Assistance Command" (KCAC). Its task remained "the prevention of disease, starvation and unrest" in the rear areas of a nation at war. Now, however, it is also responsible for carrying out reconstruction and rehabilitation projects not undertaken by UNKRA.

134. In addition to military personnel from the United States forces and civilians from the United States Department of the Army, approximately 120 civilians recruited by UNKRA continue to be seconded to KCAC. However, with the increased operations of UNKRA, 33 of those seconded were returned to the Agency since the date of the Commission's last report. A few persons from voluntary agencies have also served with UNCACK during the past year.

(2) Refugees and relief.

135. No major change in the refugee situation has been noted since the signing of the Commission's last report, but there has been a slow and steady return of refugees to their homes in areas where security has been restored. Other

/refugees

refugees have been established in improved temporary locations. The total relief problem has not lessened, however, since there has been an increase in the number of families of war dead and of persons in the armed services who are unable to contribute to the support of their families. During the past year, a number of islands were evacuated as a result of military operations. It is also estimated that 21,000 persons left islands North of the 38th parallel and in Western Kyonggi-do as a result of armistice provisions requiring the withdrawal of United Nations forces.

136. Bad weather - notably torrential rains and subsequent floods - have caused havoc in the refugee shacks, which have often been built in river beds. Similarly, the great fires which raged in Pusan during the year destroyed many refugee huts. As a rule, these huts were quickly rebuilt. In major cases, public subscriptions were opened to provide help.

(3) Rehabilitation and Relief Supplies.

137. In its last report, the Commission pointed out that by July 1952, the estimated dollar value of supplies and equipment delivered in Korea as part of the civil relief and economic aid programme was \$ 195,855,562, of which \$ 173,423,495 had been procured with funds from the United States of America and \$ 22,432,067 from other United Nations Members

138. During the period of the present report, supplies continued to be brought in by UNRCK at an increased rate. A total value of \$ 162,737,688 was included in the Civil Relief in Korea (CRIK) programme for the fiscal year 1952/53, of which \$ 125,015,800 had been received by 30 June 1953, the balance being on order.

Estimated \$ value of supplies and equipment received in Korea
(1 July 1952 - 30 June 1953)

Foodstuffs	\$ 53,685,085.57
Medical and sanitary supplies	2,800,512.55
Soap	1,608.24
Solid fuels	2,671,668.11
Petroleum products	8,228,550.98
Transportation equipment	1,079,991.11
Communications equipment	2,813,758.58
Clothing, shoes and textiles	17,232,954.00
Agricultural supplies and equipment	19,149,182.67
Industrial repair equipment and supplies	350,169.35
Other equipment	106,757.54
Miscellaneous manufacturing end products	945,533.56
Miscellaneous material and products	<u>15,950,028.01</u>
	\$ 125,015,800.27

139. The period of this report also saw the promise of increased assistance from non-government sources. Between 11 and 18 March, a mission of six members headed by Dr. Howard A. Rusk, visited the Republic of Korea on behalf of the American-Korean Foundation. Included in the Report of the Mission was a recommendation for greater participation of voluntary organizations in relief work.

(4) Public Health Programmes.

140. Assistance in the field of public health continues to be an important activity of KCAC. The Commission reports with satisfaction that for the third successive year there has been no serious epidemic in the Republic of Korea.

141. The following table shows immunizations and inoculations for smallpox, typhus, diphtheria, typhoid and cholera:

	1 Jan 51 - 31 Dec 52	1 Jan 53 - 30 June 53
Smallpox	27,510,528	3,503,580
Typhus	24,916,901	2,521,658
Diphtheria	927,586	135,907
Typhoid	23,899,589	2,824,759
Cholera	2,742,584	47,385

142. KCAC is continuing activities for the control of tuberculosis and leprosy. It has also assisted in efforts to improve public health through a programme of maternal and child care, basic nutritional requirements, sanitation, insect control and similar projects.

C. Social Questions.

(1) Veterans

143. The Commission during the past year has discussed the problems of war veterans with UNCACK/UNKRA specialists. On 5 August 1953, the Commission met with Dr. Kim Yong Taek, Vice-Minister of Social Affairs of the Republic of Korea, and other Government officials from the Ministries of Social Affairs, National Defense, and Health, who had responsibility for veterans.

144. The Commission was informed by the Vice-Minister of Social Affairs that there are at present in the Republic of Korea 90,000 war veterans who have been discharged from the armed forces because of disabilities. Of these approximately 8,000 are totally incapacitated, while the remainder are considered to be capable of working if suitable employment can be found. In addition,

/there

there are 10,000 wounded policemen (3,000 from the regular police, and the remainder from volunteer police or youth organizations), and 1,500 wounded persons from the Korean Service Corps which supplied labour for the United Nations forces at the front. 1)

145. In a letter to the Chairman of the Commission dated 7 August 1953, the Minister of Social Affairs, under whom all veterans affairs are co-ordinated, outlined plans which the Government of the Republic of Korea, in co-operation with KCAC and UNKPA, is developing for the rehabilitation and assistance of veterans. The 8,000 totally disabled war veterans receive a pension of 12,000 hwan per year. 2). This sum is far from adequate but it is all the budget permits.

146. The Ministry of Health estimates that 7,000 veterans require long-term hospital treatment. To meet their needs the Government believes that 14 hospitals, including 4 sanatoria, are required and it is estimated that the total cost, including operational expenses for three years, would be \$60 million. This programme is dependent on external assistance.

147. The Ministry of Social Affairs has established rehabilitation centres in

/each

1) In addition to the veterans themselves and members of their families, there are many others who require assistance such as the families of 73,500 war dead (51,000 military, 21,000 police and 1,500 service corps); the families of 71,000 missing in action; and the families of the men of the armed services whose military pay is inadequate.

2) 3,000 wounded police, 1,500 wounded service corps and the families of 72,000 war dead are also eligible to receive this pension, making a total of 84,500. Although the Government would like to expand considerably the number of eligible persons, it has, in fact, because of budget shortages, been unable to pay the pension to 11,480 of those presently eligible.

each province for rest and recuperation and vocational training. Some 5,000 veterans are presently accommodated in these centres, but it is estimated that about 30,000 are in need of vocational training. Furthermore, the present centres are being primarily ^{used} for the housing of veterans and not for their rehabilitation. This is partly because funds are not available to provide necessary equipment for vocational training even for those in the rehabilitation centres. Government plans would call for an expenditure of \$ 24 million for the development of these centres.

The Government also has plans for rural re-settlement projects to permit partially disabled veterans from agricultural communities to return to farming.

148. In addition to the provincial rehabilitation centres, a National Veterans Centre at Tongnae was established with the assistance of UNCKACK in January 1951. This institution provides orthopaedic treatment and supplies prosthetic appliances to disabled veterans before their final discharge. UNKRA and the American-Korean Foundation are currently developing a project for the conversion of this Veterans' Centre to a rehabilitation centre for the physically handicapped, to which an artificial limb factory will be added at a later stage. Facilities of the rehabilitation centre are to be available to all Korean civilians, but in the initial phase priority will be given to disabled veterans who have received artificial limbs through the United States or Republic of Korea Army.

149. With the exception noted in the foregoing paragraph, there has been no direct international assistance for veterans as such, although they have shared in the benefits of other relief and assistance programmes. It is a natural desire of the Government of the Republic of Korea to express appreciation for the sacrifices of these disabled veterans through an adequate programme of

/rehabilitation

and assistance. The Government is also aware that, if it is not able to carry out its plans to develop an adequate programme, veterans may be a cause of unrest in the Republic of Korea. Some disturbances were noted in July of 1952, but there have been no serious difficulties in recent months. With an armistice there is fear that the situation may again become acute unless greater assistance is provided.

150. The Commission notes with satisfaction that the Government of the Republic has announced its intention to do everything that it can for its war veterans. Even with its limited resources, it will be able to make a contribution.

However, the Commission believes that a specialist, having experience in the development of a veterans programme would be welcomed by the Government of the Republic of Korea to assist it in developing and directing a co-ordinated programme. The Commission also believes that assistance is necessary to help the Government to implement that programme. The Minister of Social Affairs estimates that assistance of the order of \$ 280,000,000 is needed over a period of six years.

(2) Prison conditions.

151. The Commission in 1951 had, at the request of the Republic of Korea, studied the prison system of the Republic of Korea (A/1881, paras. 186-194) and has continued its interest in the question (see A/2187, paras. 201-204). During the period of the present report, the Commission exchanged views with UNCACK/UNKRA specialists on prisons. It has observed with satisfaction the continued improvement in prison conditions through the efforts of the Ministry of Justice of the Republic of Korea with the assistance of UNCACK and UNKRA. Considerable progress has been made in providing special accommodation for prisoners

/suffering

from tuberculosis and other serious illnesses. The incidence of disease is still high, but the death rate has been greatly reduced and is still falling.

152. Ten thousand blankets were allotted to Korean prisons by UNCACK for the past winter and medical supplies have been provided. Handtools were supplied by UNKRA to enable the prisoners to do repair and construction work on the prisons; and ^{Agency's 1952/} the / 1953 budget has allotted \$ 88,000 for improving conditions.

D. Collaboration between the Commission and the United Nations Korean Reconstruction Agency

(1) Consultations with the United Nations Korean Reconstruction Agency

153. Throughout the period covered by the present report the Commission has continued to keep in touch with the Agent General and officials of the United Nations Korean Reconstruction Agency. It has also heard reports from the UNESCO/UNKRA, WHO/UNKRA, and FAO/UNKRA Planning Missions and from the Economic Consultants Team of the Agency.

154. At a meeting with the Commission on 6 October 1952, the Agent General informed the Commission that he had reached an agreement in September with the Unified Command in Washington and the United Nations Command in Tokyo. Under this agreement, some of the reconstruction work which according to previous arrangements (see A/1881, para. 341 and A/2187, paras. 211-212) was to begin only after the end of hostilities, could be undertaken immediately. This new approach was partly due to the stabilization of the battle lines and reduction in the scale of fighting which permitted the import of more civilian supplies. It was also due to a growing realization that substantial rehabilitation could not await the conclusion of an armistice but would have to be undertaken immediately to bolster the weakening economy of the Republic of Korea.

155. The Agent General consulted with the Commission on a proposed programme calling for \$70,000,000 to be committed by 30 June 1953. This proposal was outlined briefly in Chapter VII of the Report of the Agent General to the Seventh Session of the General Assembly (A/2222). The Agent General's Report was submitted to the Commission for consultation and comment, in accordance with procedures established in General Assembly Resolution 410 (V). On

/8 December 1952,

8 December 1952, the Commission sent an interim report (A/2298) to the Secretary-General for submission to the General Assembly, in which it stated:

" The Commission does not offer any comments to the General Assembly on the details of the programme, but it wishes to emphasize some points made by the Agent General in his own report. The Commission, which endorses the remarks of the Agent General in paragraph 24 of his report, is impressed with the necessity for UNKRA to begin a programme on a significant scale straight away. The programme should, it believes, aim in particular at an early increase in Korean domestic production, and should also provide for sustaining imports to help combat inflation."

(2) Comments on the Report of the Agent General covering the period 15 February 1953 to 30 June 1953

156. By a letter dated 23 July 1953, the Agent General

submitted to the Commission

a supplementary report covering the period 15 February to 30 June 1953. The Commission has noted with satisfaction that UNKRA has become fully operational. By the 30 June 1953, the end of the financial year, fifty-seven projects were being implemented, two had been completed and eight were being developed.

157. In its 1952 report (A/2187, paras. 213-215), the Commission supported the opinion of the Agent General that UNKRA should be given a more important role in the field of education. It has noted with satisfaction that under the new approach agreed to in September 1952, the Agency has been given this greater responsibility.

158. The Commission calls attention to one category of projects undertaken by the Agency involving relatively small expenditure but with the promise of large returns both in monetary and human values. These projects include Community Co-ordinated Development, Cottage and Village Industries, Rural Information, and Community Development Employment. More than 75% of the Korean

/population

population live in rural areas, and their living standards and economic conditions are low. These projects represent an endeavour to assist the individual farmer to help himself, and show a realistic approach which takes into consideration the stage of economic development of Korea as well as local resources and special factors.

159. For example, the Community Development Employment project is designed to encourage people in villages to invest their idle manpower in community improvements for their own benefit, such as improvements to irrigation systems, drainage, flood control, reforestation, better streets and roads, improved water supplies and sanitary facilities.

160. The Commission welcomes the fact that the main offices of the Agency are being moved to Korea and that the Agency will shortly have its direction within Korea, where reconstruction plans must be made and implemented.

161. The Agent General also pointed out in his supplementary report that, together with the United Nations Command and the Republic of Korea, a programme for the year ending 30 June 1954 has been developed, under which UNKRA would provide reconstruction and rehabilitation aid to the Republic of Korea amounting to \$130,000,000. This programme is basically an extension of the 1953 programme which marked only a beginning in the reconstruction of Korea. When the Agent General has reported in detail, the Commission may have further remarks to submit to the General Assembly. At this stage, however, it wishes to stress as last year (A/2187, para. 218) the high priority of projects which will result in an early increase in Korean domestic production.

162. Even before the conclusion of the armistice the Agent General pointed out that this 1954 programme was inadequate in itself to meet the needs of Korea for immediate economic assistance; but was limited by the total

pledges which had been made to the UNKRA programme. With the cessation of hostilities, UNKRA's programme of reconstruction should now proceed with increased momentum.

163. The Commission is convinced that the United Nations efforts on behalf of collective security which have been sustained throughout hostilities must not be relaxed in the critical days ahead when it is faced with the no less difficult task of building collective security by peaceful means. The United Nations having successfully carried through the military phase of United Nations action, must not stop half way when it now has a real opportunity to demonstrate that its principles can be promoted by ways of peace.

164. The Commission, in its previous reports, has stressed the necessity of coordinating all programmes of economic aid in Korea. (See A/1881, paras. 335 and 351, and A/2187, para. 221). This is now the more important as other aid, programmes, particularly those originating from the United States Government, are to be expanded in the coming year. As reported in paragraph 126, the Commission believes that economic assistance from the United Nations should be integrated into an overall coordinated program for which the United Nations would assume its share of responsibility.

(3) Grain Imports

165. In its interim report of 8 December 1952, the Commission called attention to the need for providing sustaining imports to help combat inflation. On 19 December, the Chief of Mission, UNKRA, informed the Commission at a meeting which he attended, that the Republic of Korea had requested UNKRA to increase its allotments for the import of grain and fertilizer.

166. The Commission, after considering the matter, adopted the following resolution:

/'' The Commission

" The Commission has been informed by the UNKRA Chief of Mission in Korea that following a request by the ROK Government he has recommended to the Advisory Committee ^{and} to the Agent General that the ROK be supplied with \$11,000,000 worth of grain instead of \$5,000,000 worth of grain, and \$6,000,000 worth of other consumer goods as provided in the Agency's original programme. The Commission considers that increased grain supplies should be particularly valuable in helping to stabilize the Korean economy and welcomes this step by UNKRA to meet urgent food needs in Korea.

" The Commission also notes that the grain thus imported by UNKRA is to be sold to the public in the Republic of Korea at the minimum prices fixed by the National Assembly, and that the proceeds from the sales are to be paid into a special won account of the Agency. This would appear to be a desirable anti-inflationary measure, providing appropriate safeguards are taken to ensure an equitable distribution, and that the consumers get the full benefit of the controlled prices."

167. An increase in allotment from \$14,000,000 to \$20,000,000 was subsequently approved and by the end of June 1953, 153,000 tons of fertilizer and 73,000 out of 120,000 tons of grain had been received and the major part already sold. The Commission believes that this programme has been effective in assisting the Government of the Republic of Korea in its efforts to stabilize the economy.

(4) Long Term Planning

168. UNKRA, with the assistance of specialized agency teams from WHO, FAO and UNESCO, has made progress during the past year toward long-term planning for the development of the Korean economy. A team of economic consultants has also prepared for UNKRA a survey of the economy. These basic studies should facilitate the formulation of an integrated programme for the reconstruction of the country and should be of value to the Government of the Republic of Korea and other authorities as well as to UNKRA. Considerations which the Commission believes should be taken into account in fitting individual projects into the basic plans, have been set out in paragraph 220 of its 1952 report (A/2187).

(5) Relations between the agency and the Republic of Korea

169. In a meeting with the Commission on 21 November 1952 the Chief of Mission, UNKRA, discussed the question of a formal agreement between UNKRA and the Government of the Republic of Korea. During the first part of 1953, UNKRA was unsuccessful in reaching an overall agreement with the Government. However, agreements for individual projects have permitted reconstruction to continue. At the end of the 1953 financial year, such agreements had been signed for 46 projects and 15 others were under negotiation. Nevertheless the Agency feels that the lack of an overall agreement has hampered it in developing individual operational agreements, and has made it impossible to establish a reconstruction or aids proceeds account. The Commission believes that the conclusion of such agreement could assist in advancing the rehabilitation of Korea.

(6) Appointment of New Agent General

170. On 12 May the Commission was consulted by the Secretary-General on the nomination of a new Agent General, in conformity with paragraph 7 of Resolution 410(V) of the General Assembly. It unanimously concurred in the nomination of Lieutenant General John B. Coulter, (U.S. Army, Ret.)

CHAPTER VI

CONCLUSION

171. The signing of the armistice in Korea on 27 July 1953 successfully concluded the military phase of the first effort to enforce the principle of collective security through a world-wide international organization. This result was not easily accomplished, nor was it achieved without great loss of life and suffering.

172. The Republic of Korea gradually increased the strength of its armed forces until, at the time of the armistice, they were holding the greater portion of the battle front. The Commission pays tribute to the gallant stand which they made, side by side with the United Nations forces, and to the manner in which the Korean people have endured sacrifices, suffering and devastation. The Commission has only admiration for the endurance and resilience of the Korean people in the most adverse circumstances.

173. Consideration of the contribution which the Republic of Korea has made to collective security should help to create a better understanding of the Republic. The need continues for close co-operation between the United Nations and the Republic of Korea. Mutual understanding must be maintained in the interests of the greatest of United Nations actions for the maintenance of international peace and security.

174. The purely military objective of resisting aggression has been attained. there
Now/Is the opportunity of seeking to achieve by peaceful means the common objective of the Republic of Korea and of the United Nations - a unified, independent and democratic Korea in accordance with the free expression of the will of the Korean people. As previous reports have stressed, Korea, in its long

/history,

history, has often experienced invasion and has in the past been divided. But in spite of invasion and division, there has emerged in Korea a nation of one race, one language and one culture. Any division of the country is unnatural, and unification of the peninsula is the desire of the Korean people.

175. At the same time as efforts are made to achieve the political objectives of the United Nations by peaceful means, there is the opportunity to assist the Republic of Korea to recover from the devastation it has suffered. From the beginning, it has been understood that the United Nations action could not be limited to military resistance to aggression but must include a constructive programme of economic help.

176. In the final analysis, the reconstruction and democratic development of Korea must depend primarily on the efforts of the Korean people themselves. The Commission believes that the Korean people, who take such pride in their country and who have such an obvious desire for education, will make sustained efforts towards a prosperous and democratic Korea. Their efforts could, however, be greatly facilitated by outside help and by the establishment of the stability and security they have so grievously lacked.

177. The Commission remains agreed on the analysis and general conclusions set out in its previous reports. In particular, it believes that the cessation of hostilities in no way reduces the need for representation of the United Nations in Korea to perform functions such as those set out in paragraph 232 of its last report.

The present report is transmitted to the Secretary-General for submission to the eighth regular session of the General Assembly, pursuant to the provisions of paragraph 2 (c) of General Assembly resolution 376 (V) of 7 October 1950.

Done in a single copy in the English language at UNCURK Building, Chonpodong, Pusan, Korea, this fourteenth day of August one thousand nine hundred and fifty-three.

Australia: (Signed) T. K. CRITCHLEY

Chile: (Signed) G. MONTT

Netherlands: (Signed) BEREND J. SLINGENBERG

1/
Pakistan:

Philippines: (Signed) MAXIMINO G. BUENO

Thailand: (Signed) PRIDI DEBYABONGS DEVAKULA

1/
Turkey:

Signed in the presence of
the Principal Secretary:

(Signed) GEORGE J. MATHIEU

1/ Pakistan and Turkey were not represented at the seat of the Commission during the preparation of this Report.

ANNEXES

I. DELEGATIONS TO THE UNITED NATIONS COMMISSION
FOR THE UNIFICATION AND REHABILITATION OF
KOREA AND UNITED NATIONS SECRETARIAT

A. DELEGATIONS TO THE COMMISSION.

1. List of Delegations

AUSTRALIA:

Representative:

Mr. James Plinsoll 1/

Mr. Thomas K. Critchley 2/

Alternate Representative:

Mr. Lionel E. Phillips

CHILE:

Representative:

Mr. G. Montt 3/

NETHERLANDS:

Acting Representative:

Mr. David Ketel 4/

Mr. Berend J. Slingenberg 5/

Assistant:

Mrs. Berend J. Slingenberg 6/

PAKISTAN:

Representative:

Mr. Mian Ziaud Din 7/

Alternate Representative:

Mr. Abdul Ghayur Kakar 8/

1/ Left on 14 December 1952

2/ Joined the Commission on 25 November 1952

3/ Joined the Commission on 16 July 1953

4/ Left on 22 March 1953

5/ Joined the Commission on 12 June 1953

6/ Joined the Commission on 26 June 1953

7/ Residing in Tokyo. Left Tokyo July 1953. Rejoined the Commission for period 12 to 15 May 1953.

8/ Residing in Tokyo. Left Tokyo July 1953. Rejoined the Commission for period 17 March to 2 April 1953.

PHILIPPINES:

Representative:

Mr. Jose P. Melencio ^{1/}
Mr. Maximino G. Bueno ^{2/}

THAILAND:

Representative:

Prince Pridi Debyabongs Devakula ^{3/}

Alternate Representative:

Mr. Chitti Sucharitakul ^{4/}

Assistant:

Mr. Vudhi Chuchom ^{5/}
Mr. Prayud Nawongs ^{6/}

TURKEY:

Representative:

Mr. Kamil Idil ^{7/}

-
- ^{1/} Deceased in Tokyo 13 December 1952. Mr. Melencio's credentials were received on 5 June 1951, but he did not join the Commission.
 - ^{2/} From 11 February 1953. Previously alternate and acting Representative. Left on 18 December 1952 and rejoined the Commission on 22 February 1953.
 - ^{3/} Left on 22 February and rejoined the Commission on 9 April 1953.
 - ^{4/} Left on 25 September 1952
 - ^{5/} Left on 22 February 1953
 - ^{6/} Joined the Commission on 9 April 1953
 - ^{7/} Left on 20 January 1953

2. Roster of Chairmanship of the Commission ^{1/}
(from 29 August 1952 to 15 August 1953)

1952

29 to 31 August:
Mr. M. G. Bueno, Philippines
September:
Prince Pridi Debyabongs Devakula, Thailand
October:
Mr. K. Idil, Turkey
November:
Mr. J. Plinsoll, Australia
December:
Mr. D. Ketel, Netherlands

1953

January:
Prince Pridi Debyabongs Devakula, Thailand
February:
Mr. T. K. Critchley, Australia
1 to 22 March:
Mr. D. Ketel, Netherlands
23 March to 30 April:
Mr. M. G. Bueno, Philippines
May:
Prince Pridi Debyabongs Devakula, Thailand
June:
Mr. T. K. Critchley, Australia
July:
Mr. B. J. Slingenberg, Netherlands
August:
Mr. M. G. Bueno, Philippines

1/ The Commission's rules of procedure concerning the chairmanship read as follows:

Rule 10: The chairmanship of the Commission shall be held in turn for a period of one month by the representatives on the Commission in the English alphabetical order of the names of the States they represent. The first chairman shall be chosen by drawing lots.

Rule 11: If the chairman is not in a position to perform his functions, the representative who would be chairman in the succeeding month shall act as chairman.

B. UNITED NATIONS SECRETARIAT

Principal Secretary:

Mr. George J. Mathieu

Special Assistant to
the Principal Secretary:

Mr. Mark Priceman (left 26 June 1953)

Mr. F. Blaine Sloan (from 19 June 1953)

Political Affairs Officer:

Mr. Jose M. Quimper (left 19 October 1952)

Secretary to the Principal
Secretary

Mr. Brian H. Ockenden (from 25 July 1952 to
20 September 1952)

Mr. Roy E. Bair (from 11 September 1952 to
15 February 1953)

Mr. Ping Hong Go (from 5 February 1953)

Public Information Officer

Mr. Jorge T. Teodoro (deceased 27 December
1952)

Mr. Dinitri Andriadis (from 15 March 1953)

Cameraman:

Mr. John V. Daniell (left 23 December 1952)

Administrative Officer

Mr. Marcel A. Maillard (left 11 September 1952)

Mr. Walter B. Squire (from 31 August 1952)

Secretary to Administrative
Officer:

Mr. Henry F. Norman (left 16 January 1953)

Mr. Brian H. Ockenden

Finance Unit:

Mr. Thomas A. Rooke (left 12 June 1953)

Field Operation Service:

I) Telecommunication Unit

Communications Officer and
Senior Field Service Officer:

Mr. Allan B. E. Gertnan (left 28 September
1952)

Mr. Kai W. Mortensen (from 21 September 1952)

/Radio

Radio Officers:

Mr. Eliseo Borjas (left 2 November 1952)
Mr. John J. Higgins (from 11 September 1952)
Mr. Vadakke A. S. Menon (from 24 June 1953)
Mr. Lazaro B. Rayray (left 29 June 1953)
Mr. Bruce H. Young (from 22 February 1953)

II) Transportation Unit

Mr. Abdul J. Al Khattab
Mr. Robert C. Bourguignon (left 28 February 1953)
Mr. Nassib J. Nassar (from 15 February 1953)

III) Procurement and Supply Unit:

Mr. Kåre Moksnes (from 6 November 1952)
Mr. Jean-Louis M. R. Goethals
(from 9 November 1952 to 6 July 1953)

IV) Locally Recruited Staff:

Chief of Korean Translation
and Interpretation Section:

Mr. Kim Yoon Yul

Finance Assistant:

Mr. Chun Ki Poong

Translators - Interpreters:

Mr. Kim Jong Sae

Mr. Kye Kwang Kil

II. THE GOVERNMENT OF THE REPUBLIC OF KOREA

A. The Executive

President of the Republic

Syngman Rhee

Elected by National Assembly 20 July 1948. Assumed office 15 August 1948.

Re-elected by direct popular vote 5 August 1952. Assumed office 15 August 1952.

Vice-President of the Republic

Han Tae-Yong

Elected by direct popular vote 5 August 1952. Assumed office 15 August 1952.

Prime Minister

Chang Taek-Sang

Nominated 19 April 1952. Formally appointed 6 May 1952. Resigned 5 October 1952.

Paik Too-Chin

Nominated 21 April 1953. Confirmed by National Assembly on 24 April 1953.

Served as Acting Prime Minister from 9 October 1952 to 24 April 1953.

Minister of Home Affairs

Kim Tai-Sun

Appointed 24 July 1952. Resigned 29 August 1952.

Chin Hon-Sik

Appointed 29 August 1952

Minister of Foreign Affairs

Pyun Yung-Tai

Appointed 16 April 1951

Minister of National Defence

Shin Tae-Yong

Appointed 29 March 1952. Resigned 30 June 1953.

Sohn Won-Il

Appointed 30 June 1953.

Minister of Finance

Paik Too-Chin

Appointed 5 March 1951.

Minister of Justice

Suh Sang-Hwan

Appointed 5 March 1952.

Minister of Education

Paik Nak-Joon (George Paik)

Appointed 4 May 1950. Resigned 30 October 1952.

Kim Bop-Rin

Appointed 30 October 1952

/Minister

Minister of Agriculture and Forestry

Ham In-Sob

Appointed 6 March 1952. Resigned 29 August 1952.

Shin Chung-Muk

Appointed 29 August 1952.

Minister of Commerce and Industry

Lee Kyo-Son

Appointed 27 March 1952. Resigned 6 November 1952.

Yi Chae-Hyong

Appointed 6 November 1952.

Minister of Social Affairs

Choi Chang-Soon

Appointed 12 January 1952. Resigned 9 October 1952.

Park Sool-Un (Solemn Park)

Appointed 9 October 1952.

Minister of Transportation

Kim Suk-Kwan

Appointed 10 May 1950. Resigned 30 January 1953.

Yun Song-Sun

Appointed 3 February 1953

Minister of Communications

Cho Joo-Yong

Appointed 27 March 1952. Resigned 9 October 1952.

Kang In-Taik

Appointed 9 October 1952.

Minister of Public Health

Choi Jai-Yoo

Appointed 5 February 1952

Minister without Portfolio

Park Hyon-Suk (Mrs.)

Appointed 9 October 1952.

B. The National Assembly

Chairman

Shin Ik-Kee (P. H. Shinicky)

First elected 4 August 1948. Re-elected 10 July 1952.

Vice-Chairmen

Cho Pong-An

First elected 19 June 1950. Re-elected 10 July 1952.

Yun Chi-Yong

Elected 10 July 1952.

